

Questions and Answers**Question Submission Deadline: June 10, 2011, 4:00 p.m. PST****All questions submitted via Bidsync unless otherwise stated.**

#	Date and Time Received (PST)	Bidder Question	State Response
1	6/1/11 9:36 a.m.	This question is regarding the minimum requirement for the Mid Capitalization Value Mandate of having at least \$1BN in investment strategy assets under this strategy. Please confirm that there has to be \$1BN in Mid Cap Value strategy, or can this be based on Firmwide assets if all of our products use the same strategy but just are for different market cap focus.	All proposing firms must meet the minimum qualifications as specified in the Request for Proposal (RFP). The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
2	6/1/11 2:34 p.m.	For the Mid Cap Growth RFP, would you advise that if a firm does not meet the \$1BB AUM in the proposed product or \$5BB AUM as a firm requirements that they do not respond? Or will all bids be considered with the potential to waive the minimum requirements?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
3	6/1/11 2:41 p.m.	This question is regarding the minimum requirement for the Mid Capitalization Growth Mandate of having at least \$1B in investment strategy assets under management. Our firm manages a total of \$9.4B in all strategies offered and \$1.1B in Mid Cap Growth strategy AUM, as of March 31, 2011, including \$463mm in a diversified Mid Cap Growth portfolio and \$642mm in a Concentrated Mid Cap Growth portfolio. Would we meet the \$1 billion in investment strategy assets under management requirement for the Mid Cap Growth Equity RFP?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.

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4	6/1/11 4:15 p.m.	For the Mid Cap Value RFP, our Value Team manages \$2.5 B in Small Cap Value assets and \$400 MM in Mid Cap Value assets, would we meet the \$1Bn minimum qualification? It is the same investment team and philosophy with some overlap in holdings.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
5	6/2/11 7:02 a.m.	The preferred benchmark for the International Value Equity mandate is the MSCI ACW ex-US Value index. Would you consider a manager utilizing EAFE Value as a benchmark?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
6	6/2/11 2:00 p.m.	Our firm manages \$900 million in mid cap growth separate accounts and mutual funds and we hold mid cap securities in some of our small cap growth objectives that total over \$1 billion. Would these assets count toward the minimum requirement for \$1 billion in assets, or do all assets have to be in the specific mid cap growth products.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
7	6/3/11 11:56 a.m.	Is there an exemption for the \$5 billion in firm assets? Our firm manages \$2.6 billion in Mid Cap Growth assets but total firm assets are \$3 billion.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
8	6/3/11 1:38 p.m.	Referencing provision 14 of the Standard Agreement for Separate Account Vehicles (Exhibit A-1), how much should an individual Separate Account Vehicle Contractor reasonably expect to be assessed in communication cost fees annually?	See RFP section III.B for information regarding the Savings Plus Program's (SPP) communication costs.

#	Date and Time Received (PST)	Bidder Question	State Response
9	6/5/11 7:02 p.m.	Are the "Specific Investment Strategy Requirements" an absolute MUST? Specifically, the "must be provided to a US client for a minimum of five years".	<p>All proposing firms must meet the minimum qualifications as specified in the RFP.</p> <p>The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.</p>
10	6/6/11 7:20 a.m.	For the firm wide AUM - As of March 31, 2011, our firm managed \$1.68 billion in assets. Would you be willing to waive the \$5 billion minimum requirement [sic]?	<p>All proposing firms must meet the minimum qualifications as specified in the RFP.</p> <p>The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.</p>
11	6/6/11 7:23 a.m.	We began operations in October of 2010. However, our international growth equity portfolio management team was affiliated with another firm from June 2010-September 2010, and a different firm from August 2005-May 2010, and a separate [sic] firm from 1995-July 2005. The entire International Growth Equity Team, transitioned to our current firm on October 1, 2010. Will you consider our strategy to have met the minimum requirement for managing assets for at least 5 years?	<p>All proposing firms must meet the minimum qualifications as specified in the RFP.</p> <p>The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.</p>
12	6/6/11 7:24 a.m.	The requirements regarding providing the product to a U.S. client for at least five years, \$500 million in strategy assets, and the Five-year track record - We manage and international growth equity product that is benchmarked against the MSCI EAFE index, and has recently launched an ACWI Ex-US product. Can the information from the MSCI EAFE Benchmarked product be used as evidence to meet the requirements of this RFP?	<p>All proposing firms must meet the minimum qualifications as specified in the RFP.</p> <p>The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.</p>

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13	6/6/11 8:50 a.m.	Referencing provision 16 of the Standard Agreement for Separate Account Vehicles (Exhibit A-1), how often do you currently conduct onsite reviews with managers?	SPP typically conducts due diligence reviews with managers at their location every other year. In the years in which SPP does not conduct an onsite review, managers will come to SPP's office to provide a portfolio update.
14	6/6/11 8:52 a.m.	Regarding Section 5 (Termination) of Exhibit D, what is the approximate cost of a manager search/replacement in the event of resignation?	Search/replacement costs include cost associated with the Department of Personnel Administration (DPA) conducting a fund search to replace the Contractor and may also include transaction costs to transition to a new manager. Costs shall be in line with industry averages.
15	6/6/11 4:05 p.m.	Regarding the International strategies, the RFP [sic] lists investment categories showing benchmarks that include "IM", can you clarify whether you are exclusively seeking products that are benchmarked against MSCI ACWI ex US "Investable Markets" and therefore only considering funds that include the small cap component [sic] of MSCI's definition of "investmentable [sic] markets"? Or, are you also open to the benchmark MSCI ACWI ex US Index?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements. The benchmark is as stated in the RFP.
16	6/7/11 8:11 a.m.	Specific requirement to be able to operate in a daily valuation recordkeeping environment: our existing pooled fund is monthly valued (does this still qualify?); if separate account, client's custodian would be "record keeper", not the investment advisor (again, would we still qualify under separate account manager?).	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements. The proposed investment vehicle must operate in a daily valued environment. A monthly valued pooled vehicle does not meet this requirement.

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17	6/7/11 8:13 a.m.	Requirement for International [sic] strategies: is it imperative for inv advisor to use the MSCI ACW ex-US IM index, or can the MSCI EAFE net index or MSCI ACWI ex-US index be utilized?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
18	6/7/11 9:46 a.m.	Would immaterial edits/changes to the contract terms for the purposes of clarification be acceptable or considered?	The contract terms, conditions, and requirements as provided in Attachment 2 are non-negotiable.
19	6/7/11 9:55 a.m.	Would you consider index managed midcap funds or are you exclusively looking at active strategies?	As indicated in the RFP, we are seeking actively managed strategies.
20	6/7/11 12:52 p.m.	As of March 31, 2011 the assets in our International Growth Strategy were below the \$500M required. As of May 31, 2011 we are above the \$500M asset requirement [sic]. Will this meet the requirements?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
21	6/7/11 3:01 p.m.	As of May 31, 2011, our Firm managed over \$13 billion in mid-cap assets across various products and vehicles. We believe that one of our mid-cap products is the most attractive due to its exceptional performance and significant capacity; however, it does not have the minimum asset requirements that are stated in the RFP. Given our long and successful history managing mid cap assets, would the client be willing to consider a product that does not have \$1 billion in assets?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements. Firms are free to propose multiple products, but each will be evaluated individually based upon the criteria stated in the RFP.

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22	6/7/11 3:42 p.m.	With regard to the minimum qualifications for the International Small Cap Equity approach (as stated on page 15 of the RFP), the RFP states that the approach should be benchmarked against the MSCI EAFE Small Cap index. We are comfortable managing an International Small Cap Equity mandate to the MSCI EAFE Small Cap Index. However our existing composite is benchmarked to the S&P EPAC Small Cap index. Would we be eligible to submit a response based on the difference in benchmarks?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
23	6/7/11 3:42 p.m.	Would you be willing to consider a long term track record on a similar index if the manager is willing to manage the assignment to the benchmark stated on the RFP? For example, our International Core approach uses the MSCI EAFE ex-US index, though we would be willing to manage the mandate to the MSCI ACW ex-US IM Index.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
24	6/7/11 3:43 p.m.	Although the strategy we would like to propose has a 5+ year track record, there is a one month gap within the 5-year composite track record. Would you be willing to consider the approach despite the one month gap if we are able to show historical returns in excess of 5 years?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
25	6/8/11 9:35 a.m.	The RFP makes reference to a "Proposal Questionnaire (Attachment 5), which includes the General Company Questionnaire and the Strategy Specific Questionnaire including the Strategy Specific Worksheet." I do not see a specific section in the Strategy Specific Questionnaire labeled Strategy Specific Worksheet. However I do see in section "C" a "Specific Investment Strategy Section." Is this what the directions are referring to, or is the worksheet a separate document?	On page 16, in the second paragraph, there is a sentence that states, "Provide the Strategy Specific Worksheet in a Microsoft Excel or compatible file." Please disregard as this is an erroneous statement; there is no worksheet required for this RFP.

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26	6/9/11 8:18 a.m.	Please confirm the amount of assets to be managed for the International Growth Equity search.	See RFP section I.D.5 for asset mapping information.
27	6/9/11 8:38 a.m.	Regarding questions 5 and 6 on the strategy specific questionnaire, would you like us to provide country/sector allocation, stock selection, and interaction effect for the past five calendar years ending 12/31/10?	Yes.
28	6/9/11 8:38 a.m.	With regards to the requested 4 bound copies of the proposal, would you accept thin wire bindings in lieu of the proposal package being stapled in the upper left-hand corner?	The proposal package should be prepared in the least expensive method. Wire bindings will be accepted.
29	6/9/11 8:48 a.m.	For the strategy requirement: "Must be able to operate in a daily valuation recordkeeping environment as a stand-alone investment option." Can you please expand upon what recordkeeping you require? Are there specific reports you need or do you need intraday liquidity?	See Attachment 2, Exhibit A, for Scope of Work requirements by vehicle type.
30	6/9/11 9:14 a.m.	Regarding the education costs: is there a maximum amount that a firm is responsible [sic] for paying?	See RFP section III.B for information regarding the SPP's communication costs.
31	6/9/11 10:11 a.m.	If we submit an intent to bid letter then upon receiving the answers to the questions, find that we are not in fact eligible to bid, can we retract the letter?	Yes.
32	6/9/11 10:36 a.m.	Regarding Attachment 2 Exhibit A - 1 Scope of Work for Separate Account Vehicles, can you please provide an approximate on the cost associated with item 14, bearing a proportionate share of communication costs? As well as for item 16, the contractor shall pay all costs associated with on-site visits for due diligence reviews. Are these cost recurring or just at the beginning of the relationship?	See RFP section III.B for information regarding the SPP's communication costs.
33	6/9/11 11:00 a.m.	Where can you locate a copy of the "Strategy Specific Worksheet," in Excel format, which is referenced in the RFP?	Please refer to Question #25's response.

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34	6/9/11 12:03 p.m.	With respect to securities lending, question 10 on page 59 of 85, item (b) has potential responses of "No, Yes - Currently, Yes - Previously". If we answer "Yes - Previously" and we plan to resume lending, should we complete the remaining questions related to this topic?	Yes.
35	6/9/11 1:41 p.m.	Within the "Proposal Submission Procedures" section of the RFP, you state that we should "provide the Strategy Specific Worksheet [sic] in a Microsoft Excel or compatible file". We cannot locate this file through BidSync and cannot find another reference to it within the RFP. Can you please advise as to what document you are referring.	Please refer to Question #25's response.
36	6/9/11 2:08 p.m.	Regarding the \$1 billion assets under management criterion for the Mid Capitalization Value Equity search (item II.B.5.d on page 12), given the limited size and capacity of the mid cap value asset class, would you be willing to consider a proposal from one of your current managers who does not have \$1 billion in mid cap value assets, but meets all other criteria and has a very compelling track record?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
37	6/9/11 2:09 p.m.	Regarding the criterion for the Mid Capitalization Value search that the proposed strategy have been provided to a U.S. client for five years as of 3/31/11 (item II.B.5.a on page 12), must the strategy have been provided to the same U.S. client for five years or may it have been provided to U.S. clients for five years?	The requirement indicates that the proposed investment strategy must be provided to a U.S. client for five years as of March 31, 2011. As long as the strategy has been offered continuously to U.S. clients over that time, though not necessarily the same client, the criterion is satisfied.

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38	6/9/11 3:06 p.m.	We are considering proposing a Collective Investment Trust ("CIT") vehicle for your International Value Equity search. The CIT in this strategy does not itself have \$500 million in assets, but the sub-advisor for the CIT does manage International Value Equity assets well in excess of \$500 million. Additionally, the Trustee of the CIT oversees assets that exceed \$500 million in assets when considering its entire family of CIT. Given these facts, is the proposed CIT still eligible for consideration?	If the proposed vehicle is a mutual fund or commingled fund, the mutual fund or commingled fund must have over \$500 million in assets under management
39	6/9/11 3:23 p.m.	Regarding Exhibit C, General Terms and Conditions, Item 3. Assignment: Will DPA accept alternate contract language from a prospective contractor for the assignment of the proposed portfolio to an affiliated sub-adviser?	The contract terms, conditions, and requirements as provided in Attachment 2 are non-negotiable.
40	6/9/11 3:24 p.m.	Regarding Attachment 2 Exhibit A - 1 Scope of Work for Separate Account Vehicles: Can you please provide an example of how these costs were calculated in the past and the formulas used? Are these costs recurring or just at the beginning of the relationship? Can you define what would be considered marketing, investment education and training costs?	Attachment 2, Exhibit A-1, Item 14 provides the formulas for calculating communications costs. See RFP section III.B for information regarding SPP's communication costs. SPP marketing, investment education, and training costs include those costs associated with information plan participants receive about SPP's investments (e.g., marketing letters to prospective participants to encourage enrollment, outreach events to educate participants, postcards to announce new investment lineup, etc.)

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41	6/9/11 7:33 p.m.	We launched our intl core equity strategy in 1989, have managed it versus the MSCI EAFE index since inception and AUM exceed \$14B. In 2008, we launched an additional version of this same strategy that includes emerging market equities, is managed versus the MSCI ACWI ex US index and has AUM of almost \$3B. With respect to minimum requirements E and F, would we be eligible to propose this core intl strategy?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
42	6/10/11 8:08 a.m.	In regard to Section III. D. Submission of Proposal, Statement 2, can the Plan provide clarification on how submissions should be compiled? Will a wire binding for the four bound copies be accepted?	The proposal package should be prepared in the least expensive method. Wire bindings will be accepted.
43	6/10/11 8:16 a.m.	In regard to Section II. B. Specific Investment Strategy Requirements for the International Core and International Value mandates, if a product is proposed that has no emerging markets exposure, will a different benchmark be accepted for performance comparison purposes (MSCI EAFE or MSCI World ex-US)?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
44	6/10/11 8:23 a.m.	Regarding the General Company Questionnaire (Exhibit 5-A), under 1.b.3, is the firm's Balance Sheet required even though we do not and would not have custody of funds. Would an independent auditor's opinion letter suffice in lieu of financial statements? We are a private partnership and our financial statements are not public. If the opinion letter is not acceptable, is there a way to provide our financial statements while ensuring that the information is not made public?	General Company Questionnaire (Exhibit 5-A), Item 1.b.3, requires the firm to include a copy of a current balance sheet. See RFP, Item III.G, for Disposition of Proposal information.

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45	6/10/11 8:26 a.m.	In regard to Attachment 5, Strategy Specific Questionnaire Exhibit 5-B International Value and Exhibit 5-C International Core, question b.1., will an internal benchmark used for performance comparison purposes be accepted if different from the benchmark requested in Section II. B., Specific Investment Strategy Requirements?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
46	6/10/11 8:59 a.m.	If a mutual funds' historical net operating expense is slightly above 1.0% or around 1.0% BUT expected to fall lower than 1.0% due to upcoming changes, would DPA consider these funds?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
47	6/10/11 10:03 a.m.	In reference to the Work Plan and Work Schedule Requirements and the communication costs on pg. 15, can you provide the approximate/average number of managers that the total cost is divided amongst?	There are 21 managers currently in SPP's portfolio . See RFP, Item I.A for additional information about SPP investments.
48	6/10/11 10:05 a.m.	In reference to the Scope of Work for Separate Account Vehicles (Exhibit A-1) on pg. 26, can you provide the approximate/average cost for a manager on an annual basis?	Your question is not clear and cannot be answered.
49	6/10/11 10:25 a.m.	With regards to the SPP's total communication costs as referenced on pg. 15 of the RFP, is there an estimate for the future cost for the appointed Mid Cap Growth Manager portion of the total? Can you provide the average in % terms for the costs for the Mid-Cap Growth manager over the previous 5 years?	Estimated future costs are not available. Attachment 2, Exhibits A, provides the formulas for calculating communications costs

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50	6/10/11 10:29 a.m.	Our firm plans to propose our Core International Equity Strategy for the California DPA's SPP International Core Equity mandate. We would be comfortable managing the portfolio against the MSCI AWI ex U.S. IMI Index; however, historically, we have managed the composite against the MSCI AWI ex U.S. Index and our composite would present performance information against the MSCI AWI ex U.S. Index. Will the State accept our composite? Of course, we look forward to using the State's benchmark as it pertains to the management of the State's International Core Equity portfolio.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
51	6/10/11 11:37 a.m.	This question is regarding the minimum requirement for the International Growth Equity Mandate benchmarked against the MSCI ACW ex-US IM Growth index. Our firm has managed International Growth Equity strategies against the MSCI EAFE Index since 1998, and have \$4 billion in assets as of March 31, 2011. In 2008, we began managing the same strategy against the MSCI ACW (ex-US) IM Growth Index and this mandate has over \$500 million in assets. The strategy benchmarked against the MSCI ACW (ex-US) IM Growth Index does not meet the 5 year track record minimum requirement, where our MSCI EAFE strategy does. Which strategy should we submit for consideration - the one managed against EAFE, which has more than 5 years of history, or the one managed against the ACW (ex-US) IM Growth index, which has almost 3 years?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements Firms are free to submit multiple products for consideration.
52	6/10/11 11:52 a.m.	The Document and Certification Checklist in Attachment [sic] 1 references accepting the "non-negotiable contract terms, conditions and requirements" specified in the RFP. Could you please confirm which terms these are?	The contract terms, conditions, and requirements as provided in Attachment 2 are non-negotiable.

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53	6/10/11 11:52 a.m.	The RFP makes reference to managers being required to bear a proportionate share of SPP's total communication costs and the Scope of Work attachment makes reference to a general formula for deriving the manager's individual share. Could you provide a dollar estimate for what the share would be, assuming a \$100 million account [sic] awarded under the current RFP and using 2010's total communications cost (\$62,669)?	To answer this question would require DPA to make certain assumptions about other unknown variables (e.g. the number of managers and total plan assets as of June 30 of future Fiscal Years) in the formula to calculate the proportionate share. Therefore, the question cannot be answered.
54	6/10/11 11:53 a.m.	Section 7 of Exhibit D makes reference to managers being responsible for the postage costs associated with communicating any correction of processing errors (even if not material). Could you provide an estimate of how many participants are in the plan, and how many participants [sic] are in the international option.	As of April 30, 2011 there were approximately 174 thousand participant accounts, of which 36 thousand accounts had some level of investments in the International Fund.
55	6/10/11 11:53 a.m.	Section 5 of Exhibit D makes reference to managers being responsible to pay search/replacement costs in the even the manager terminates the contract for good cause. Could you provide an estimate of such search/replacement costs?	Search/replacement costs include cost associated with DPA conducting a fund search to replace the Contractor and may also include transaction costs to transition to a new manager. Costs shall be in line with industry averages.
56	6/10/11 12:17 p.m.	Can you please provide more clarification around the "operational information" category (p. 19) regarding operational capabilities, operational requirements, client servicing, cash flows, and restrictions for participants?	See Strategy Specific Questionnaire, 2.f, for questions pertaining to operations.
57	6/10/11 12:18 p.m.	Please explain what a separate account fund of funds is and how it will work for us?	SPP's portfolio consists of style-neutral investment options that are offered through multi-manger fund-of-funds. Participants do not directly invest with the underlying managers of the funds. SPP manages the funds based on its liquidity and rebalancing policy.
58	6/10/11 12:18 p.m.	Can the legal counsel certification be given by an internal General Counsel?	Yes.
59	6/10/11 12:19 p.m.	Under mandatory licensing requirements, what insurance and banking laws are being referred to?	Any laws applicable to the proposing firm.

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60	6/10/11 12:25 p.m.	Page 5, section I.A. states that the mid cap value equity portfolio "must exhibit characteristics such as price/earnings and price/book ratios lower than those of the Russell Mid-Cap Index." Are these mandatory requirements or grounds for rejection?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements.
61	6/10/11 12:45 p.m.	Please detail the rebalancing policies for the funds-of-funds. If they are rebalanced daily using cash flows, are there regular rebalancing schedules or ranges where the portfolio would be rebalanced if the allocation fell outside of the range?	SPP rebalances the funds monthly based on its rebalancing policy. Funds are rebalanced to the target allocation within specified tolerance ranges. There is a designated liquidity sleeve for daily cash flows.
62	6/10/11 12:46 p.m.	Organizational Minimum Requirement #4 on Page 9 of 85: Must serve in a fiduciary capacity for SPP fiduciary role insofar as the advice and dealings with the Department and handling of Plan assets. Should a mutual fund vehicle be selected, is SPP comfortable with the fact that SEC regulations will not allow portfolio managers to become fiduciaries to retirement plans?	All firms must serve in a fiduciary capacity for SPP fiduciary role insofar as the advice and dealings with the Department and the handling of Plan assets regardless of the proposed investment vehicle.
63	6/10/11 12:46 p.m.	Exhibit A-2 Scope of Work #14 on Page 32 of 85: Would SPP allow the contractor to provide communication services in-kind rather than make a cash payment from the fund?	No.
64	6/10/11 12:53 p.m.	Our firm (Firm A) has an affiliate (Firm B) in which Firm A owns the majority of Firm B. All contracting is done with Firm A, but Firm A may delegate investment management of certain strategies to Firm B. Therefore, Firm A will be responding to the proposal on behalf of Firm B. Is the aforementioned structure acceptable for requirement II-A-3.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements. The submitting firm must meet the requirements.

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65	6/10/11 1:02 p.m.	Do individuals/firms that respond to this opportunity need to be registered as lobbyists under the States lobbying rules effective Jan 1?	See Section II for minimum qualifications for proposers.
66	6/10/11 1:04 p.m.	As we have fairly strict investment minimums, what would be the anticipated amount of initial funding to be placed with one manager as part of the International Equity project?	See RFP section I.D.5 for asset mapping information.
67	6/10/11 1:30 p.m.	Attachment 2 Exhibit A-1: Can you provide any guidance on how contractors can gauge potential costs from point 14 (Also part B of Proposal Requirements and Information III)? We understand the formula for calculating contractors' costs but are interested to know how the SPP forecasts total communication costs?	See RFP section III.B for information regarding the SPP's communication costs.
68	6/10/11 2:32 p.m.	We currently manage an International Large Cap Core Equity strategy managed against the MSCI EAFE Index which the eVestment Alliance database includes in their International Large Cap universe. As of 3/31/11, our track record was 1st quartile over the most recent quarter, 1, 3, and 5 year periods versus this universe. Given our emerging markets equity allocation of up to 20%, our similar portfolio characteristics to the MSCI ACW ex-US IM Index and our willingness to manage this specific mandate vs. the MSCI ACW ex-US IM Index, may we please propose our strategy?	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements. The submitting firm must meet the requirements.
69	6/10/11 2:33 p.m.	Given that the MSCI ACW ex-US IM Index has mid to small cap exposure, would you please confirm that the intended Peer Group for the International Core Equity mandate is International Large Cap Equity rather than International All Cap Equity?	The RFP correctly provided the intended peer group for each asset category.

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70	6/10/11 2:34 p.m.	In Section III. D. of the RFP, it is stated that the General Company Questionnaire and Strategy Specific Questionnaire and all appendices must be provided in an Adobe PDF file. Can you confirm that you are requiring 1 single Adobe PDF file containing the General Company and Strategy Specific Questionnaires in addition to all appendices (some of which may be lengthy)?	Multiple PDF files can be provided if needed.
71	6/10/11 2:34 p.m.	Our firm is a registered broker-dealer, however we would not act as a broker for the CA Dept of Personnel Administration in connection with any mandate resulting from this RFP. Does this meet your eligibility requirements as stated in Section II. C of the RFP?	Yes. Firms must not be a broker or any third party selling another company's funds to DPA as part of this search process.
72	6/10/11 2:59 p.m.	As an employer with no employees in California, our firm is not currently required to comply with the California Fair Employment and Housing Act or other labor law specific to California employers. As such, our firm cannot yet attest to currently complying with the associated California specific labor law. However, as a federal contractor, our firm is an Equal Employment Opportunity and Affirmative Action employer with an already existing and strong anti-discrimination program, and can attest to complying with the federal requirements as well as the spirit of the Non-Discrimination Clause. Is there any provision for negotiating the terms of the contract for out-of-state employers who do not currently fall under the Fair Employment and Housing Act or other labor laws specific to California employers?	The contract terms, conditions, and requirements as provided in Attachment 2 are non-negotiable.

#	Date and Time Received (PST)	Bidder Question	State Response
73	6/10/11 3:05 p.m.	Regarding the minimum requirements on size for the International Core Equity mandate – do the assets for this requirement need to be managed against the stated benchmark of the MSCI ACW ex-US IM index? We manage more than \$500mm in portfolios benchmarked to EAFE developed market indices and emerging market indices. We do also have experience managing portfolios directly against the MSCI ACWI ex-US index, but assets managed relative to this benchmark specifically are under \$500mm.	All proposing firms must meet the minimum qualifications as specified in the RFP. The RFP contains organizational requirements; investment strategy requirements; and licensing, experience, and business requirements. The submitting firm must meet the requirements.